[Mr. Chairman]

members the best wishes of this House.

SHRI SAMAR MUKHERJEE (West Bengal): Mr. Chairman, Sir, it is true that some of us may come back and some of us may not come back. I thank you for the farewell address which you have given here commending our services. I am here for a very short period of time though I was in Lok Sabha for a long period. Hearing this appreciation, we very much feel it and parting from this company is also painful to us.

SHRI M. S. GURUPADASWAMY (Karnataka): Are you really parting?

SHRI SAMAR MUKHERJEE: I am not talking on my behalf alone. I am talking on behalf of my colleagues who are retiring. We will remember this very cordial and friendly atmosphere in which we are functioning in the Rajya Sabha. I have got the impression that the atmosphere is so friendly and so cordial in the Rajya Sabha. This is very much helpful oin the functioning of the House. That is why on behalf of all of us who are retiring, I pay my compliments and the compliments of my colleagues particulary to the Chairman and the Deputy Chairman. We also convey our thanks for the compliments you have paid to us.

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI M M. JACOB): Sir, I join in the sentiments expressed by you and Shri Samar Mukherjee about the retiring Members who are leaving us now. And it was actually a matter of joy for all of us to associate with the Members who are retiring and their contributions to this House are really valuable. And our relationship was friendly and very co-operative. And I wish them well, Sir.

STATEMENT BY MINISTER

Re. Enhancement of rate of Interest on Employees Provident Fund

THE MINISTER OF STATE OF THE MINISTRY OF LABOUR (SHRI P. A. SANGMA): Hon. Members are aware that under the Employees' Provident Fund Scheme, the Central Government has to declare the rate of interest to be credited to the account of the provident fund subscribers every year. The rate of interest has to be determined keeping in view the earnings from the provident found investments. The investment pattern of the provident fund was liberalised with effect from 1.4.1986 and with this, the interest earnings have slightly picked up. The Government has, therefore, decided to declare the rate of interest of 11.5 per cent for the year 1987-88 as against 11 per cent for the year 1986-87. I hope that the Members would welcome this measure.

MR. CHAIRMAN: Now clarifications—Shri Narayanasamy.

SHRI V. NARAYANASAMY (Pondicherry): Mr. Chairman, Sir, the hon. Minister has said that the rate of interest to be credited to the account of the provident fund subscriber for the year 1987--88 is 11.5 per cent as against 11 per cent for the year 1986-87. I would like to know whether the interest will be compound in nature or it is simple interest because the amount is lying there as a deposit. I would like to have a clarification from the hon. Minister whether it will be treated as a compound interest or not.

SHRI NIRMAL CHATTERJEE (West Bengal): Sir, the Minister can certainly take credit that the interest rate is being enhanced in the context of the fact that generally the interest rates in the economy have been reduced. But, Sir, the question remains that when the cost of living is rising at the rate of 9 per cent, whether or not 11.5 per cent is adequate in real terms. Even the Chakravarty Committee reported that the real return should be some what

more than this. In view of this and in view of the other fact that the public provident found scheme permits an interest rate of12 per cent and the special deposits under the independent provident funds can get 12 per cent rate of interest, would he not consider this to be a meagre rise? And there is also a second fact to which his attention should be drawn. Under the employees provident fund scheme, when the people retire, they take almost ages to receive their dues. I know that it is compounded and I am not asking that question. They take ages to get their dues from the employees' provident fund scheme. The Government of India have recently indicated that its own employees would be given their retirement benefits on the day they retire. Will the Minister ensure that the employees provident fund scheme is so governed that this happens in the case of the subscribers to the employees provident fund scheme also? Thank you, Sir.

श्री सत्य प्रकाश मालवीय (उत्तर प्रदेश) : मान्यवर, यह कर्मचारियों की भविष्य निधि में वर्ष 1987-88 में कुल आधा परसेंट की वृद्धि की है । मैं जो 11 प्रतिशत ब्याज मिलता था, वह बढ़कर अब साढ़े 11 प्रतिशत मिलेगा । मैं माननीय मंत्री जी से जानना चाहता हूं कि केवल आधा प्रतिशत ही वृद्धि करने का आधार क्या है और क्या सुझाव पर गौर करेंगे कि यह वृद्धि होकर कम से कम 12 प्रतिशत हो ?

MR. CHAIRMAN: Mr. Minister, have you anything to reply?

SHRI P. A. SANGMA: Sir, the first question relates to the simple interest applicable on balances in the accounts with effect from 1.4.1987. Mr. Chatterjee said that this 11.5 per cent interest is not adequate. Sir, we have been raising the rate of interest every year. From 10.15 per cent in 1985-86 it became 11 per cent in 1986-87. And then it became 11.5 per cent. And the fact is that on 85 per cent of the investments that we make, we get 12 per cent interest. And there is the rise in the administrative charges required for running the organisation. By raising it to 11.5 per cent in effect, we will be landing up slightly in the deficit. So, we are not saving any money at all. But I would not be able to tell you exactly what the deficit will be but I am told we will be slightly in the deficit. I think that answers the last question that we are not able to raise it to 12 per cent.

About pendency, raised by Mr. Chatterjee, there are lots of cases pending. We have been trying to expedite the disposal of these cases. Pendencies are so large that in spite of our giving some sort of incentive in the scheme that we started last year, we find it is humanly impossible to cope with the problem because the cases have accumulated so much. We are going in for computerisation and only this morning we have installed a computer machine for Delhi region. We are going to do so for other regions also. Workers have some reservations about it and we have made it clear that it is as a result of computerisation that we are going to achieve efficiency and quicker service and no worker will be affected.

Re. **THE CONSTITUTION (FIFTY-SEVENTH AMENDMENT) BILL, 1987**

MR. CHAIRMAN: In order to enable Members to be present here at the time to voting on the Constitution Amendment Bill, I wish to inform the House that loting will take place at 2.30 P.M. I would request the hon. Members to agree to dispensing with the lunch break. People will have their lunch, of course.

SHRI PARVATHANENI UPENDRA: At our cost.